

is a small agency that is showing big results, and I will talk about that point.

From 2001 to 2007, OLMS investigations have resulted in 796 convictions—that is since 2001—and have resulted in court-ordered restitutions to unions and to union members of \$101 million. Those are pretty good results.

I am going to explain in a moment how they are vastly underfunded already. We need more. I will go into that issue in a moment.

Since 2001, OLMS has recovered, as I noted, \$101 million. I doubt that is all that was stolen. No doubt it is not all that was stolen. This is what was actually ordered and recovered in restitution. I would say that, by any standard, \$101 million is a lot of money.

Since 2001, the work by OLMS has resulted in convictions and restitution, so we are talking about an agency that is working on behalf of the American worker, ensuring the American worker knows how the union dues they have contributed are being spent. When it is clear their money is being abused, OLMS works to fairly return the money to them; this is a good program and an important program.

Embezzlement is not something the American people support. We as a Congress are focusing on transparency in a lot of different areas, and it is embarrassing that our colleagues have decided to cut funding in the one office in the whole Federal Government, the only one, that is required to carry out this job with regard to our unions.

Let me show this chart. As a Federal prosecutor myself for a number of years, I have to say I am impressed with these numbers. Since 2001, 95 percent of indictments that have been produced as a result of OLMS investigations have resulted in convictions. That is a pretty good success rate. So it is clear they are not picking on people who have made honest mistakes or where honest errors are occurring and people are doing what they are supposed to do as union leaders.

In fact, they have offices strategically placed around the country. Every union in the country has OLMS employees who live within driving distances of their offices. They are ready to help the union leaders figure out how to complete any required forms and disclosures. They are prepared to assist in any problems that arise in union elections. They are a resource and were not created as a punishing tool for unions.

We are not, as a part of this amendment, and those who support this amendment, out to kick labor unions around. We are trying to make sure they comply with the law and ensure that the rank-and-file members have someone watching out for them and their money. It is clear from these statistics that there is still a need for oversight, sunlight, and transparency. That is clear. We have a problem out there and it still exists. It is painfully clear we need to be monitoring union

officials who are taking bribes—and some have been convicted of that—who are involved in racketeering and stealing hard-earned money from working Americans.

Since 2001, OLMS has been able to audit only 3,275 of the 26,000 unions on record. They are supposed to be auditing these unions, but, in fact, since 2001, they have only been able to audit 12½ percent of the unions on record. I have to tell you, if you do more audits, you are going to have less criminal activity. It is when people know they are not being watched, know they are not likely to be audited, that they take chances and make mistakes and get themselves in trouble and cost their union members a lot of money.

OLMS, in the year 2000, only did 204 audits out of well over 20,000 unions. That is the equivalent of a union being audited once every 133 years. Last year, OLMS did 736 audits, which translates into an audit every 33 years. So we are doing better, but we are still a long way from a regular audit program.

Now, with the \$2 million reduction in funding—and you have a cost-of-living increase with salaries and electricity and all those kinds of things that tend to go up—if you have taken a flat net reduction of \$2 million in funding, there will be approximately 350 fewer audits each year. That is about half.

Shouldn't we be seeking more audits, considering that from the 3,267 audits that were completed between 2000 and 2007 there came 827 indictments and 796 convictions? I think so. I think this is a good investment for our country.

Now, in the very few reports OLMS audited, evidence was found in many of them that warranted other action. In my home State of Alabama, 41 audits were completed, and from that came 20 convictions; that is, almost half the audits resulted in some conviction.

Here in the District of Columbia, 30 audits were completed, resulting in 27 convictions. One of those was the Washington Teachers Union. Let me give that example. On October 23 of last year, in the U.S. District Court, Cheryl Martin, the daughter of a former Washington Teachers Union executive assistant to the president, Gwendolyn Hemphill, was sentenced to a probationary sentence—which she should be most thankful for, it appears to me—for her role in an embezzlement scheme which defrauded the union of \$4.6 million. Right here, just last October. She pled guilty to conspiracy to laundering money and for assisting her husband Michael Martin in laundering more than \$500,000 in Washington Teachers Union members' funds, most of which were funneled back to Hemphill and the then WTU president, Barbara Bullock.

Well, that is quite a lot—\$4.6 million stolen from only about 5,000 union members. That is about \$1,000 a member. This isn't chickenfeed, it is real money. I have heard stories of how some of those very same teachers who

lost their money through union embezzlement are the same ones buying pencils, books, and supplies for their students out of their own pockets. So despite what some might say, convicting people who steal from unions and seeking restitution is not anti-union activity; it is pro-union activity.

There are many cases such as this that need transparency to come to light. Since 2001, the administration, President Bush, and Secretary Chao have worked hard to reach consensus on how best to work with the unions to get voluntary compliance on disclosure forms that the law requires them to make. But, still, many unions are not reporting as they are required to do. This chart shows, unfortunately, that the compliance rate for unions is only 64 percent, with 36 percent failing to comply.

That is an unacceptable number. If this were the Securities and Exchange Commission, we would not accept the fact that our stockholders and employees are placed at risk because those entities, those corporations, are not being monitored. If it were the Federal Election Commission and we didn't submit our financial disclosures on time, people would be very critical. Somebody would probably ask that we step down from our offices as we would be committing a violation of the law. However, we don't seem to be as willing to protect our workers and the money they pay in to their unions.

The way this works here, we have public access when these forms are reported, the ones that do, and you can call or go to the Department of Labor in person or get online information at [www.unionreports.gov](http://www.unionreports.gov) and review these reports.

Now, union members care about this. It is most valuable information to union members—those people in the town who know the community, they know the company, they know the union, they know their coworkers, the stewards, the union reps, the employees. By law they are required to have this information to see what is being done with the money. Union members want to know how their dues are being spent, and it is clear they are looking to see how their money is spent.

Between May of 2006 and May of 2007, in the past year, there were 767,000 hits on the OLMS Web site, an average of over 2,000 a day. People are looking to see how their bosses are spending their money. According to a 2004 Zogby poll, 71 percent of union members want disclosure. They want to know how their funds are being spent. The foundations of this transparency were established in the 1950s when the Labor-Management Reporting and Disclosure Act of 1959 was passed.

Transparency and sunlight—full disclosure of financial gains and losses. These are the tenets that Senator Kennedy, John Kennedy, former President Kennedy, and the McClellan Commission report, set in place 50 years ago to